

July 3, 2013

RESOLUTION 2013-04
Authorizing the purchase of 4508 Hamilton Street by the City.

A Resolution of the City Council of Hyattsville, Maryland wherein the Mayor and City Council authorize the purchase of 4508 Hamilton Street by the City for a purchase price of \$685,000.00, as well as certain other conditions.

WHEREAS, between January and June 2012, the City Council in closed session after consulting with the City Attorney, authorized the City Attorney to negotiate the purchase of two properties, one known as 4508 Hamilton Street and the other known as 4501, 4503 and 4505 Hamilton Street (hereinafter all referenced to as the “premises”) all in Hyattsville for the purpose of affording additional parking at or near the new retail establishments on Route 1 in the immediate vicinity of Hamilton Street; and

WHEREAS, such negotiations were unsuccessful; and

WHEREAS, on October 18, 2012, after authorization of the City Council, the City Attorney filed suit in eminent domain to acquire the premises; and

WHEREAS, on or about May 15, 2013, the owner of 4508 Hamilton Street entered into a contract to sell 4508 Hamilton Street to the City for a purchase price of \$685,000.00, with settlement to take place on or before July 30, 2013 provided that the title was merchantable and that the tenant and all the tenant’s equipment on the property were removed prior to settlement, and

WHEREAS, the court upon being informed of the existence of the contract of sale dated May 15, 2013 dismissed the City’s eminent domain case regarding 4508 Hamilton Street subject to either party to the action petitioning to reopen the dismissed case prior to August 15, 2013 if settlement had not occurred pursuant to the contract; and

WHEREAS, there are several issues that could impede settlement currently scheduled for July 30, 2013, to wit:

July 3, 2013

1. The discovery of an unreleased deed of trust on the property recorded on January 2, 1979 in the amount of \$45,006.00, which unreleased lien will be excluded from any title insurance purchased by the City, and

2. The owner's inability to have the current tenant, an auto repair establishment, to vacate the property prior to settlement as required by the contract of sale; and

WHEREAS, the City Attorney has advised the City Council regarding the unreleased deed of trust and the tenant issue; and

WHEREAS, the City Council deems that the unreleased deed of trust has such a small risk factor connected with it because of the age of the document and the decease of all parties to the underlying obligation that the Council will buy the property and waive merchantable title for this particular lien; and

WHEREAS, the City Council will not waive the requirement that the tenant at 4508 Hamilton Street must have vacated the property prior to settlement.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Hyattsville that the City Council in regular session assembled, hereby ratifies the contract for the sale of 4508 Hamilton Street and hereby authorizes the City Administrator, Jerry Schiro, to sign all settlement documents to purchase 4508 Hamilton Street according to the contract dated May 15, 2013 and any further amendments or negotiations as done by the City Attorney, and

BE IT FURTHER RESOLVED, that the City Staff shall prepare all necessary bond funds and City resources to go to settlement at 4508 Hamilton Street; and

BE IT FURTHER RESOLVED, that the City Attorney is authorized:

1. To extend the settlement date until the property is cleared of the tenant and the tenant's equipment;

July 3, 2013

2. To negotiate at the City Attorney's reasonable discretion such additional terms to effectuate settlement as the City Attorney deems necessary to protect the City's interest in purchasing the property; and

3. If necessary, to reinstate the eminent domain case regarding 4508 Hamilton Street to protect the City's interest in purchasing the property; and

4. To take such further actions as the City Attorney reasonably deems necessary to protect the City's interest in purchasing 4508 Hamilton Street; and

BE IT FURTHER RESOLVED, that this Resolution is adopted in closed session at the below date to protect the City's further negotiations regarding this matter and this Resolution shall be published immediately upon the City completing settlement on 4508 Hamilton Street.

ATTEST:



Laura Reams, City Clerk



Marc Tartaro, Mayor

7/15/13

Date

Date